GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Andhra Pradesh Re-Organisation Act 2014 – Establishment of Integrated Steel Plant in Kadapa District – Constituting AP Steel Plant Committee – Orders – Issued.

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Industries & Commerce (M.II) Department

G.O.MS.No. 88 Dated: 02-08-2018

Read the following:-

1. Gmail, Dt.12.06.2018 from the VC& MD, M/s APMDC Ltd.
2. Govt. Lr. No.6830/M-II/2018, Dt.16.07.2018.
3. Mail, dt.16.07.2018 from the VC& MD, M/s APMDC Ltd.

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ORDER

The A.P. Re-Organisation Act, 2014 provided for the bifurcation of the state of Andhra Pradesh with effect from June 2, 2014. Accordingly, in terms of the Thirteenth Schedule of the Andhra Pradesh Reorganization Act, Steel Authority of India Limited (SAIL) was requested by GoI to examine the feasibility of establishing an Integrated Steel Plant in Khammam district of the successor State of Telangana and YSR district of the successor State of Andhra Pradesh within six months from the appointed day i.e. SAIL has completed its mandated task by submitting reports examining feasibility on installation of 3 MTFA integrated steel plants in YSR district of Andhra Pradesh and Khammam district of Telangana on 02.12.2014. As per the feasibility report, setting up of steel plant was found prima facie not financially viable. Further, a Task Force has been constituted or 19.10.2016 comprising of representatives from the Central and State Government, SAIL, Rashtriya Ispat Nigam Limited (RINL), National Mineral Development Corporation (NMDC), MECON Limited and MSTC to consider the feasibility issues and to prepare a road map for setting up of steel plants in Andhra Pradesh and Telangana by any interested party.

2. In the 5th meeting of the task force for examining the feasibility of establishing integrated steel plants in YSR Kadapa District of Andhra Pradesh and Khammam District of Telangana was held on 27.12.2017. It was decided by GoI that the concerned State Government would share with MECON the Data for preparation of feasibility reports and realistic assumptions to be worked out by the concerned state Governments with MECON.

3. The MECON along with Govt of AP Officials visited the iron ore mineral areas and the proposed site from 04.01.2018 to 06.01.2018 and discussed the issue. All the information required by MECON has been furnished by Govt. of AP. MECON has furnished their additional queries on 15.06.2018, for which GoAP has furnished full details by 22.06.2018, such industrial incentives to be given as per AP State Industrial Policy, providing land for infrastructural requirement, giving power to run the plant, water facility, railway connectivity, raw material etc. MECON has yet to finalize its feasibility report and share with the concerned States. The Govt. of India has to take necessary action in a time bound manner for establishment of steel plant.

4. In the meanwhile, when the matter stood thus, a hunger strike claims by Sri C.M. Ramesh, M.P., Rajya Sabha, for steel plant at Kadapa; and after ending 11 days fast, on 30.06.2018, the Hon'ble CM had visited Kadapa and announced certain important decisions regarding the integrated steel plant in the district. In

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the Gmail, received from the VC & MD, M/s APMDC Ltd., has stated that the Hon'ble CM has announced that the Govt. will constitute a committee to look into various options available for setting up of the integrated steel plant in the district and that the Committee will also negotiate with Government of India to take necessary amendments to the existing laws and provide certain incentives to the proposed steel plant in order to make it a reality.

5. The VC & MD, M/s APMDC Ltd., has therefore, requested the Government to constitute a committee with appropriate members for the objective mentioned above.

6. After careful examination of the matter, the Government hereby decided to constitute a Committee with the following members, for setting up of the integrated steel plant in Kadapa district :

1. Vice–Chairman, AP Planning Board -Chairman
2. Secretary to Government, Law Department -Member
3. Secretary to Government, Ind. & Com. Dept. (Mines) - Member
4. Secretary to Government, Ind. & Com. Department -- Member
5. Secretary to Government, Finance Department -- Member
6. Vice–Chairmen & Managing Director, M/s.APMDC Ltd.- Member-Convenor

7. The above Committee shall look into various options available for setting up of the integrated steel plant in Kadapa district and that the Committee will also negotiate with Government of India to take necessary amendments to the existing laws and to provide certain incentives to the proposed steel plant in order to make it a reality, as provided in the AP Re-organisation Act, 2014, immediately.

(BY ORDER AND IN THE NAME OF GOVERNOR OF ANDHRA PRADESH)

B. SREEDHAR
SECRETARY TO GOVERNMENT

To
All the Members through the Director of Mines & Geology, AP, Vijayawada.
The Director of Mines & Geology, AP, Vijayawada.
The VC & MD, M/s. APMDC Ltd., Kanuru (V), Vijayawada.
Andhra Pradesh Planning Board,
Copy to: PS to Secy. (M) / PS to Secy. & CIP / PS to CS/ PS to Secy. (Law)
PS to Secy. (Finance)
PS to M (M&G) / PS to Prl. Secy. to CM /

//FORWARDED ::BY ORDER//

SECTION OFFICER